



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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June 16, 1993

Mr. Bob Shajary
Georgia Pacific Corporation
P.O. Box 80
Sigurd, Utah 84657

Dear Mr. Shajary;

Re: Tentative Approval of the San Rafael Gypsum Quarry, Large Mine Notice,
Georgia Pacific, M/015/050, Emery County, Utah

The Division has completed its review of Georgia Pacific's April 9, 1993 supplemental Information letter. The supplemental information was requested in our December 23, 1992 review letter. An inspection was conducted by Holland Shepherd, of the Division, on April 29, 1993 to follow-up on the permit questions still outstanding. After review of your April 9, 1993 letter and site inspection, the Division is satisfied with Georgia Pacific's latest response and is prepared to proceed towards final approval of the revised plan.

Surety

The Division has calculated a **\$36,600** reclamation surety estimate for the site (see attachment). The estimate reflects costs escalated 5 years to 1998 dollars. We reevaluate surety estimates every 5 years for adequacy. The surety covers 25 acres, and averages approximately \$1,464/acre. This estimate is based on the Division's cost to perform the reclamation. You indicated that the disturbance would not go beyond 25 acres over the next five years, so we based our estimate on this assumption.

Your reclamation estimate was \$50,000 for 50 acres of disturbance. The Division will of course accept a \$50,000 surety, but it will cover less than 50 acres. Our estimated cost for reclamation is \$1,464/acre ($\$50,000/\$1,464/\text{acre} = 34 \text{ acres}$).

Since Georgia Pacific already has posted a \$20,000 reclamation surety with the BLM and Emery County, the Division will only ask for the balance of \$16,600. If you



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would like to place all of your reclamation obligations under one surety, the Division would be willing to hold one joint agency surety for this purpose. Obviously, it will be necessary to obtain BLM and Emery County acceptance of this approach before proceeding. Please let us know what your preference is in this matter.

Georgia Pacific will need to provide the reclamation surety and a new Reclamation Contract, FORM MR-RC (form and guidelines enclosed). We also have enclosed a new *joint agency* Surety Bond (Exhibit B, Form MR-6) for your convenience.

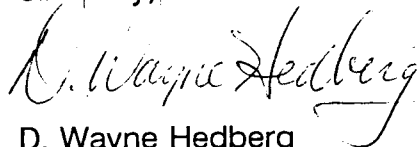
General Comments

The Division will now proceed to publish a notice of our tentative approval decision regarding the San Rafael Gypsum Quarry. A notice will be published in the Emery County Progress and the Salt Lake Tribune, initiating a 30-day public comment period. Also, we will notify the Resource Development and Coordinating Committee, a branch of the Governor's Office of Planning and Budget, which comments on all new, large scale permitting in the state.

The Division will seek approval of the amount and form of surety from the Board at a monthly hearing, following the expiration of the 30-day comment period. If substantive comments are received during the public comment period, the Board of Oil, Gas and Mining (Board) will schedule a separate hearing to address the issues/concerns. Final permit approval will be granted for this large mining operation following the Board's approval of the form and amount of reclamation surety.

Thank you for your cooperation and patience in finalizing this permitting action. Please contact me or Holland Shepherd if you have questions regarding the remaining requirements of this letter.

Sincerely,



D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb

Enclosures

cc: Bryant Anderson, Emery County
Neil Simmons, BLM
Lowell Braxton, DOGM

GeorPac.ltr

RECLAMATION ESTIMATE

Georgia Pacific

San Rafael Gypsum Mine

M/015/050

last revision 06/14/93

Emery County

Prepared by Utah State Division of Oil, Gas & Mining(HWS)

Reclamation Details

- Post-mine land use is wildlife grazing and wildlife habitat
- All structures & equipment to be removed from the site
- Facilities/equipment: loader, dozer, blade, water trucks
- All compacted areas (loadouts, stockpile pads) to be ripped
- All trash and debris removed from site; no burning or burial onsite
- All highwalls/slopes regraded to 3h:1v or less
- All post-law roads to be regraded & ripped
- Topsoil was salvaged along with crytogamic soil
- Entire disturbed area to be drill seeded, fertilized, mulched
- Disturbed area includes mining sites, new roads & facilities
- Individual acreages used below were taken from the LMO-NOI form
- Estimated total disturbed acreage = 25.0 acre

Activity	Amount	\$/unit	\$
Rip facility areas(0.5mph)	2 acre	463	926
Rip new roads (0.5mph)	1 acre	463	463
Regrade mine areas(1.0 ft)	22 acre	327	7,194
Regrade facilities & roads	3 acre	327	981
Remove trash & debris	25 acre	50	1,250
Topsoil Redistribution(1.0 ft)	25 acre	327	8,175
Drillseed, fertilize, mulch	25 acre	400	10,000
Mobilization (2 pieces of equipment)	2 equip	1,000	2,000
Subtotal			30,989

Add 10% contingency 3,099

1993-\$ Subtotal 34,088

Add 5 yr escalation at 1.42% 2,490

Total 1998-\$ 36,578

Rounded Total in 1998-\$ \$36,600

Average cost per acre = \$1,464